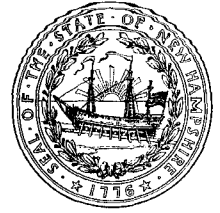




The State of New Hampshire
Department of Environmental Services



Michael P. Nolin
Commissioner

Messrs. Bernard and Edward Carrier
Pond Brook Estate, LLC
13 Parsons Street
Colebrook, New Hampshire 03576

LETTER OF DEFICIENCY
WD WQE 06-008
September 7, 2006

Re: Pond Brook Estates: Route 26 - Millsfield, New Hampshire
Millsfield Tax Map MI 1623, Parcel 009

Dear Messrs. Carrier:

On August 24, 2006, personnel from the Department of Environmental Services ("DES") conducted an inspection on the subject property. The purpose of the inspection was to determine compliance with RSA 485-A:17 and applicable rules promulgated pursuant thereto. During the inspection, the following deficiencies were documented:

1. Terrain in excess of 100,000 sq. feet had been altered for road building and lot development;
2. Alteration of terrain in excess of 100,000 square feet requires an Alteration of Terrain/Site Specific Permit ("Permit") prior to commencement of these activities. DES has no record that a Permit was issued for the above-referenced disturbance;
4. Erosion was observed on and along the road, and
3. Temporary and permanent erosion and sediment control best management practices ("BMPs") had not been installed.

DES believes that the cited deficiencies can be resolved by:

1. Obtaining a Site Specific Permit **prior to** performing additional alteration of terrain or development on the site, except as noted in Item 3 below;
2. Submitting a stabilization plan and narrative to DES for review by **September 12, 2006**. As discussed during the site inspection, the plan should show the proposed BMP's with detail sufficient to implement the measures on the site;
3. Implementing the BMP's on the site by **September 25, 2006**, and
4. Sending a written report and photo documentation of the completed work to DES by **September 29, 2006**.

Issuance of this letter shall not preclude further enforcement by DES. Failure to comply with RSA 485-A:17 may result in enforcement by DES, including but not limited to the issuance of fines, administrative orders, or referral to the New Hampshire Office of the Attorney General for prosecution of civil or criminal penalties. If an order is issued to you, it may also be recorded with the Registry of Deeds as an encumbrance against the Property.

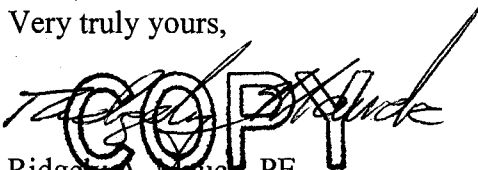
All documents submitted in response to the Letter of Deficiency should be addressed as follows:

Department of Environmental Services
Water Division
29 Hazen Drive
Concord, NH 03302-0095

Attn.: Denise M. Frappier, Alteration of Terrain Program

Should you have any questions regarding this letter, please contact Denise Frappier at 466-5910 or dfrappier@des.state.nh.us.

Very truly yours,


Ridgely A. Mauck, PE
Land Resources Management Program

RAM/DMF/mw
CERTIFIED MAIL/RRR #7099 3400 0003 6155 2460

cc: Kerry Barnsley, DES Legal Unit
Linda Magoon, WB/WD/DES
Coos County Planning Board and
Coos County Conservation Commission
c/o County Commissioners
Colin Sutherland, LLS